

**ORDINANCE NO. 12-28**

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA; REPEALING AND RESCINDING HIALEAH, FLA., ORDINANCE 10-69 (DEC. 16, 2010) THAT CODIFIED CHANGES TO THE RETIREMENT CODE THAT PROVIDED A 5% CONTRIBUTORY RETIREMENT CONTRIBUTION TO GENERAL EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2011 AND FURTHER CHANGED THE COMPUTATION OF THE AVERAGE FINAL COMPENSATION FOR PURPOSES OF CALCULATING PENSION BENEFITS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING PENALTIES FOR VIOLATION HEREOF; PROVIDING INCLUSION IN THE CODE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, pursuant to Hialeah, Fla., Resolution 12-33 (Mar. 13, 2012), the City Council approved the ratified Collective Bargaining Agreement between the City and the Hialeah Civil Service Employees Association, AFSCME, Local 161 ("AFSCME Union") in which the bargaining unit members approved the elimination of the imposed 5% contributory retirement plan for general employees only, hired on or after January 1, 2011, together with a change in the average final compensation of the 7% annuity savings deduction from the employee's paycheck and the return of all funds paid into the Retirement System plus 3% compounded interest upon separation if the employee does not receive retirement benefits; and

**WHEREAS**, the purpose and intent of this ordinance is to repeal and rescind Hialeah, Fla., Ordinance 10-69 (Dec. 16, 2010), which enacted the above-described imposed changes; and

**WHEREAS**, Buck Consultants prepared an actuarial impact statement and concluded that there is no actuarial impact with respect to the adoption of this ordinance; and

**WHEREAS**, the City presented this ordinance to the Board of Trustees of the Retirement System for its review.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

**Section 1:** The City Council of the City of Hialeah hereby repealing and rescinding Hialeah, Fla., Ordinance 10-69 (Dec. 16, 2010) in its entirety.

**Section 2: Repeal of Ordinances in Conflict.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**Section 3: Penalties.**

Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be assessed a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty described above, the City may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

**Section 4: Severability Clause.**

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

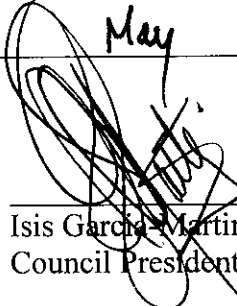
**Section 5: Effective Date.**

This ordinance shall become effective when passed by the City Council and signed by the Mayor or after the next regularly scheduled City Council meeting if the Mayor's signature is withheld or if the

City Council overrides the Mayor's veto.

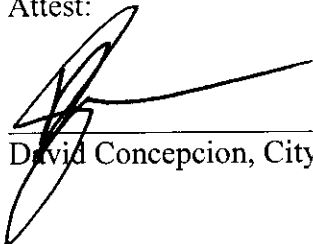
PASSED and ADOPTED this 22 day of May, 2012.

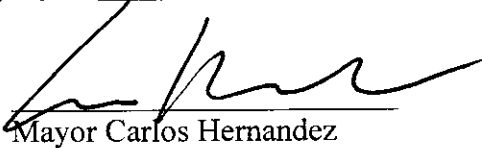
THE FOREGOING ORDINANCE  
OF THE CITY OF HIALEAH WAS  
PUBLISHED IN ACCORDANCE  
WITH THE PROVISIONS OF  
FLORIDA STATUTE 166.041  
PRIOR TO FINAL READING.

  
Isis Garcia-Martinez  
Council President

Attest:

Approved on this 22nd day of May, 2012.

  
David Concepcion, City Clerk

  
Mayor Carlos Hernandez

Approved as to form and legal sufficiency:

  
William M. Grodnick, City Attorney

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Ordinance was adopted by a unanimous vote with Councilmembers,  
Caragol, Casals-Muñoz, Cue-Fuente, Garcia-Martinez, Gonzalez,  
Hernandez and Lozano voting "Yes".

April 16, 2012

Ms. Vivian Parks  
Director of Retirement Division  
City of Hialeah  
501 Palm Avenue, 3rd Floor  
Hialeah, FL 33010

**Actuarial Impact Statement: City of Hialeah Employees' Retirement System - Repeal of Ordinance 10-69**

Dear Vivian:

We have reviewed the amendments to the repeal Ordinance 10-69 to determine the actuarial impact on the City of Hialeah Employees' Retirement System.

**Repeal of Ordinance 10-69**

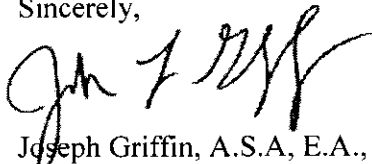
Ordinance 10-69 which was passed on December 16, 2010 enacted (1) a 5% mandatory contribution to the Retirement System by each general employee and (2) the change in the definition of final average earnings from the average compensation during the three highest years of service to the average compensation during the five highest years of service. Both changes would impact only general employees hired on or after January 1, 2011. The provisions of Ordinance 10-69 are now being repealed in its entirety

**Actuarial Impact**

The repeal of ordinance 10-69 has no actuarial impact on the Retirement System.

Please let me know if you have questions or concerns about this determination.

Sincerely,



Joseph Griffin, A.S.A., E.A., M.A.A.A., F.C.A.  
Director, Consulting Actuary

cc: Mr. Alan Voorhees – Board Chairman City of Hialeah Retirement System  
Mr. William Grodnick – City of Hialeah  
David Campbell – Buck Consultants

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**ORDINANCE NO. 10-69**

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA AMENDING CHAPTER 70 ENTITLED "RETIREMENT AND PENSIONS", ARTICLE IV. EMPLOYEES GENERAL RETIREMENT SYSTEM, DIVISION 1. GENERALLY, OF THE CODE OF ORDINANCES AND IN PARTICULAR, REVISING HIALEAH CODE § 70-96 ENTITLED "DEFINITIONS", HIALEAH CODE § 70-166 ENTITLED "ANNUITY SAVINGS FUND CREATED; DEDUCTION OF CONTRIBUTION; TRANSFER OF FUNDS OF RETIRED MEMBERS," HIALEAH CODE § 70-203 ENTITLED "RETIREMENT PLANS," HIALEAH CODE § 70-204 ENTITLED "TERMINATION OF MEMBERSHIP; EFFECT OF REEMPLOYMENT", HIALEAH CODE § 70-238 ENTITLED "SERVICE RETIREMENT ALLOWANCE" AND HIALEAH CODE § 70-249 ENTITLED "DISABILITY BENEFITS" TO PROVIDE A 5% CONTRIBUTORY RETIREMENT PLAN FOR GENERAL EMPLOYEES (NOT FIREFIGHTERS OR SWORN POLICE OFFICERS) HIRED ON OR AFTER JANUARY 1, 2011, PROVIDE FOR ELIMINATION OF THE 7% ANNUITY SAVINGS DEDUCTION; PROVIDE FOR RETURN OF ALL MONEY PAID TO THE RETIREMENT SYSTEM WITH 3% COMPOUNDED INTEREST UPON SEPARATION IF AN EMPLOYEE DOES NOT RECEIVE RETIREMENT BENEFITS; AND TO PROVIDE FOR FINAL ANNUAL COMPENSATION TO BE BASED ON THE AVERAGE COMPENSATION OF THE FIVE HIGHEST YEARS OF SERVICE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR INCLUSION IN CODE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, the general purpose and intent of this ordinance is in the best interest of the welfare of the community and the proper administration of its government; and

**WHEREAS**, subject to collective bargaining pursuant to Florida Statutes §

447.403, the City Council imposed a 5% contributory plan for general employees only, hired on or after January 1, 2011, together with a change in the average final compensation to mean the average compensation during the five highest years of service; the elimination of the 7% annuity savings deduction from the employee's paycheck and the return of all funds paid into the Retirement System plus 3% compounded interest upon separation if the employee does not receive retirement benefits; and

**WHEREAS**, Gabriel Roeder Smith & Company, Consultants and Actuaries prepared an actuarial impact statement for this proposed change to the Retirement System, which describes the financial impact, if any, to the Retirement System; and

**WHEREAS**, the City presented this ordinance to the Board of Trustees of the Retirement System for its review.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

**Section 1:** Chapter 70 entitled "Retirement and Pensions", Article IV. Employees General Retirement System, Division 1. Generally, of the Code of Ordinances of the City of Hialeah, Florida is hereby amended, by revising Hialeah Code § 70-96 entitled "Definitions", § 70-166 entitled "Annuity savings fund created; deduction of contribution; transfer of funds of retired members," §70-203 entitled "Retirement plans", 70-204 entitled "Termination of membership; effect of reemployment", Section 70-238 entitled "Service retirement allowance" and Section 70-249 entitled "Disability benefits", to read as follows:

Chapter 70

**RETIREMENT AND PENSIONS**

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**ARTICLE IV. EMPLOYEES GENERAL  
RETIREMENT SYSTEM**

**DIVISION 1. GENERALLY**

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**Sec. 70-96. Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Accumulated member contributions* means the sum of all amounts deducted from the compensation of a member and credited to the member's individual account in the annuity savings fund, together with regular interest thereon; or the sum of all amounts contributed by a member to the pension reserve fund in accordance with section 70-203, together with interest at the rate of three percent, compounded annually.

*Actuarial equivalent* means a benefit of equal value when computed at regular interest upon the basis of such mortality tables as the board shall from time to time adopt.

*Annuity* means payment derived from the accumulated contributions of a member to the annuity savings fund, either lump sum or payments for life.

*Annuity reserve* means the present value of all payments to be made on account of any annuity, or benefits in lieu of any annuity, computed upon the basis of such mortality tables and regular interest as the board shall from time to time adopt.

*Average final compensation* means the average of the highest annual compensation received by a member during a period of any three years of service, which may not necessarily be consecutive. If the employee has less than three years of credited service, the employee's average final compensation shall be the average of the annual compensation received during his total years of credited service. For members hired on or after January 1, 2011, other than firefighter members and police officer members, average final compensation means the average of the highest annual compensation received by a member during a period of any five years of service, which may not

necessarily be consecutive. If the employee has less than five years of credited service, the employee's average final compensation shall be the average of the annual compensation received during his total years of credited service.

*Beneficiary* means any person, except a retirant, who is entitled to receive or who is in receipt of a pension or retirement allowance granted in accordance with the provisions of the retirement system. A beneficiary or beneficiaries may be named individually, jointly, or sequentially, and shall be designated on a form provided by the board of trustees. The member may revoke any such beneficiary designation by signing and filing a new designation-of-beneficiary form with the board of trustees.

*Board* means the board of trustees.

*City contribution rate* means the amount paid by the city to the pension reserve fund.

*Classified service* means all employees of the city, excepting those employees enumerated in section 4.07(b)(1)b of the Charter and those employees not recognized as classified employees of the city by the personnel board.

*Compensation* means base salary plus any longevity and/or special assignment pay prescribed in the personnel board's annual basic salary schedule as revised from time to time, and/or any pay received in connection with the state's law enforcement special incentive program or firefighters' supplemental compensation program, F.S. § 633.382.

*Continuance period* means the first five years of retirement of a member.

*Credited service* means the sum of the prior service, prior membership credit service, and current membership credit service credited to a member's service account.

*Eligible retirement* means retirement in accordance with the option selected by the member according to the options contained in section 70-203.



*Final compensation* means the annual rate of compensation payable to a member at the time of his last termination of employment with the city.

*Member* means any person employed by the city who is included in the membership of the retirement system.

*Member contribution-rate* means the amounts paid by the member to the annuity savings fund or pension reserve fund as designated in section 70-203.

*Membership service* means service rendered as an officer or employee of the city after the effective date of the retirement system.

*Military service* means active service in the U.S. armed forces.

*New member* means any employee without prior service credited to his service account.

*Noncertified full-time employee* means any noncertified employee scheduled to work 37 1/2 hours or more per workweek.

*Noncertified part-time employee* means any noncertified employee scheduled to work 22 1/2 hours to 30 hours per workweek.

*Original member* means any employee with prior service credited to his service account.

*Pension* means annual payments for life derived from monies accumulated in the pension reserve fund ~~money provided by the city or any instrumentality of the city~~. All pensions shall be paid in equal monthly installments.

*Pension reserve* means the present value of all payments to be made on account of any pension, or benefits in lieu of any pension, computed on the basis of such mortality tables, regular interest and other tables as the board shall from time to time adopt.

*Prior service* means service rendered as an officer or employee of the city prior to the effective date of the retirement system.

*Regular interest* means such rate of interest per annum, computed annually, as the board shall from time to time determine.

*Retirant* means any member who retires and is the recipient of a pension or retirement allowance payable from funds provided by the retirement system.

*Retirement* means any retirant in receipt of an annuity pension or retirement allowance granted in accordance with the provisions of the retirement system.

*Retirement allowance* means the sum of the annuity and pension.

*Service* means service rendered as an officer or employee of the city.

*Vested rights* refers to any rights to pension benefits which a member may have earned by virtue of his contributions and years of credited service, as designated in section 70-239.

**Sec. 70-166. Annuity savings fund created; deduction of contribution; transfer of funds of retired members.**

(a) The annuity savings fund is created. The annuity savings fund shall be the fund in which shall be accumulated, at regular interest, the contributions from the compensation of members to provide for their annuities. The contributions of a member shall be in accordance with the retirement plan under section 70-203.

(b) The officer responsible for making up the payroll shall cause the contributions provided for in this section to be deducted from the compensation of each member on each and every payroll for each and every payroll period so long as he remains a member in the employ of the city. Each of such amounts, when deducted by the officer responsible for signing city vouchers and checks, shall be paid into the funds of the retirement system and when so paid shall be credited to the individual annuity savings fund account of the member from whose compensation such deduction was made. The member's contributions, provided for in this

article, shall be made notwithstanding that the minimum compensation provided for by law for any member shall be changed thereby. Each member shall be deemed to consent and agree to the deductions made and provided for in this article and shall receipt for the member's full compensation. Payment of the member's compensation less such deduction shall be made in full and complete discharge and acquittance of all claims and demands for payment, except as to benefits provided by the retirement system.

(c) In addition to the contributions deducted from the compensation of a member, as provided in this section, any member may redeposit in the annuity savings fund, by a single payment or by an increased rate of contribution, an amount equal to the total amount or any part thereof which the member may have previously withdrawn therefrom as provided by the retirement system.

(d) Upon retirement of a member who has contributed to the annuity savings fund in accordance with section 70-203, either the employee's accumulated contributions shall be transferred from the annuity savings fund to the annuity reserve fund or the employee may elect to withdraw the employee's annuity in a lump sum. At the expiration of a period of four years from the date an employee ceases to be a member, any balance of accumulated contributions standing to his credit in the annuity savings fund, unclaimed by such member, shall be transferred to the pension reserve fund unless such member has at least ten years of credited service and indicates to the board in writing, at time of separation, his intent to defer pension benefits as provided in section 70-239.

**Sec. 70-203. Retirement plans.**

(a) All members of the retirement system shall contribute seven percent of the member's compensation to the annuity savings fund except as otherwise provided in subsection (i) below.

(b) All members enrolled in the plan on January 26, 1970, are eligible for retirement after 20 years of service or the attainment of age 50.

(c) New members enrolling in the plan on or after January 27, 1970, and prior to January 1, 1974, must have at least 20 years of membership service or must have reached the age of 55 years with a minimum of 15 years of membership service in order to be eligible for normal retirement.

(d) There shall be no vested rights in any pension benefits for any members enrolling after January 1, 1970, who have less than ten years of membership service.

(e) New members enrolling in the plan on and after January 1, 1974, must have at least 20 years of membership service, and the total of age and service when added together must equal at least 70 points, in order to be eligible for retirement benefits as outlined in section 70-238.

(f) Those employees hired prior to October 5, 1992 as full-time noncertified employees shall be permitted to count their noncertified time towards meeting the time requirements as specified in subsections (b), (c), (d), and (e) of this section as follows: The noncertified time shall be known as service time and shall count towards the time needed to receive a retirement. Service time shall differ from membership service credit time. The monetary amount paid to an employee will be the appropriate percentage based on the particular retirement plan applicable to an employee, multiplied times the years of membership service credit time.

(g) Those individuals desiring to convert noncertified time to membership service credit time may do so by purchasing up to a maximum of four years of noncertified time. In order to purchase such time an employee would be required to pay into the pension reserve fund such amounts as determined by the board of trustees' actuary, at no cost to the city.

(h) Part-time employees working 22 1/2 or more hours per week would have their time prorated and would have the option of either joining or not joining the pension plan. Part-time employees shall earn one-half year for each year of service and may buy back up to four full years. If a part-time employee does not desire to participate in the plan and later becomes full time, the employee would be permitted to count the service time on a prorated basis.

(i) All members hired on or after January 1, 2011, other than firefighter members and police officer members, shall contribute five percent of the member's compensation to the pension reserve fund in lieu of any contributions to the annuity savings fund.

**Sec. 70-204. Termination of membership; effect of reemployment.**

(a) Except as otherwise provided in this article, if a member separates from the services of the city, except to become a retirant or for death, the member shall forfeit the member's credited service at the time of separation; and the member shall thereupon cease to be member. However, if such person is reemployed by the city within a period of four years from and after the date of the member's last separation from service, the credited service forfeited by the member at the time of the member's last separation from service shall be restored to the member's credit. This section shall apply in all cases of separation from the employment of the city except as provided in section 70-205.

(b) Nothing in this article is intended to construe that a person, upon ceasing to be a member of this plan shall not have the right to withdraw the total amount that the member has contributed to the annuity savings fund; such person shall not receive any part of the funds deposited in the pension reserve fund by the city or any instrumentality of the city. The withdrawal of any funds from the annuity savings fund shall not affect any vested rights.

(c) Any member hired on or after January 1, 2011, other than a firefighter member or police officer member, shall, upon separation from City employment, have the right to receive upon request a refund of his/her member contributions contributed to the pension reserve fund pursuant to Section 70-203(i), with interest at the rate of three percent, compounded annually. A member who receives a refund of member contributions pursuant to this subsection (c) shall not thereafter be eligible for any benefit from the retirement system.

**Sec. 70-238. Service retirement allowance.**

(a) *Prior to October 5, 1990.* Upon retirement from service as provided in sections 70-236 and 70-237, a member who has ten or more years of service credited to the member's service account shall receive a service retirement allowance consisting of the following:

(1) *Annuity.* An annuity which shall be the actuarial equivalent of the member's accumulated contributions standing to his or her credit in the annuity savings fund at the time of retirement; and

(2) *Basic pensions.* A basic pension as follows:

TABLE INSET:

Period Basic	Pension
October 1, 1982 through September 30, 1983	\$1,400.00
October 1, 1983 through September 30, 1984	1,600.00
October 1, 1984 and after	1,800.00

(3) *Service pensions.* A service pension equal to 1.75 percent of the average final compensation for each year of membership service and/or prior service credited to the member's service account, not to exceed a total of 30 years or a service pension of two percent of the average final compensation for each year of membership service and/or prior service credited to the member's service account, not to exceed a total of 30 years, provided the member has at least 20 years of credited service, and his or her age and credited service when added together equal at least 75 points, and retiree has participated under the seven percent plan for a minimum of ten years immediately preceding retirement.

(b) *October 5, 1990 and forward.* From October 5, 1990 and forward, the member shall receive the following:

(1) *Annuity.* An annuity which shall be the actuarial equivalent of the member's accumulated contributions standing to the member's credit in the annuity savings fund at the time of retirement;

(2) *Basic pension.* A basic pension of \$2,800.00 annually; and

(3) *Service pensions.* A service pension equal to two percent of the average final compensation for each year of membership service and/or prior service credited to the member's service account, not to exceed a total of 30 years, or a service pension of 2 1/4 percent of the average final compensation for each year of membership service and/or prior service credited to the member's service account, not to exceed a total of 30 years, provided the member has at least 20 years of credited service, and his or her age and credited service when added together equal at least 75 points, and 70 points after October 5, 1991, and the retiree has participated in contributing seven percent into the annuity savings fund for a minimum of ten years immediately preceding retirement.

(c) *October 5, 1992 and forward.* From October 5, 1992 and forward, the member shall receive the following:

(1) *Annuity.* An annuity which shall be the actuarial equivalent of the member's accumulated contributions standing to the member's credit in the annuity savings fund at the time of retirement;

(2) *Basic pension.* A basic pension of \$1,800.00 annually; and

(3) *Service pensions.* A service pension equal to three percent of the average final compensation for each year of membership service and/or prior membership service credited to the member's service account, not to exceed a total of 25 years, provided the member has at least 20 years of credited service, and his or her age and credited service when added together equals at least 70 points, and the retiree continues to contribute seven percent into the annuity savings fund while employed by the city.

(d) *Vesting.* Members electing the option under section 70-239 with at least ten years' credited service and who have not met the requirements for normal retirement under section 70-203 shall be entitled to a basic pension of \$2,800.00 annually and a service pension of two percent of average final compensation for each year of credited service.

(e) All members hired on or after January 1, 2011, other than firefighter members and police officer members, shall be eligible for the benefits provided in subsections (a) through (d) above, provided, that the member continues to contribute five percent into the pension reserve fund while employed by the city. For the purpose of this subsection (e), and notwithstanding any other provision of this retirement system, average final compensation shall mean the average of the highest annual compensation received by a member during a period of any five years of service, which may not necessarily be consecutive. If the member has less than five years of credited service, the employee's average final compensation shall be the average of the annual compensation received during his total years of credited service.

**Sec. 70-249. Disability benefits.**

(a) Upon retirement for total and permanent disability as provided for in section 70-248, whether or not disabled member is eligible for city retirement and whether or not the disabled member has elected the lump sum withdrawal option of his annuity savings.

(1) *Disability benefits Option 1 and Option 2.* A retiree for a total and permanent disability under section 70-248 for line-of-duty injuries may elect a service pension as provided in section 70-238 subject to and limited by the following options: Option 1: A service pension limited to and only to a maximum of 75 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which a member~~an annuity~~ contribution has been paid to the retirement system, with insurance benefits for group health insurance as if the employee retired under normal retirement, with the retiree responsible for payment of the full health insurance premium for single dependent and/or family coverage, if the retiree desires such coverage;



and Option 2: A service pension limited to and only to a maximum of 66 2/3 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which a ~~member~~~~an annuity~~ contribution has been paid to the retirement system, with insurance benefits for group health insurance as if the employee retired under normal retirement, with the retiree responsible for payment of the active rate for single dependent and/or family coverage, if the retiree desires such coverage. The employee election between Option 1 and Option 2 shall be made one time only at the time of retirement and is irrevocable. In any event, at age 65, upon being eligible for and enrolling in Medicare Part A and Part B, the city shall pay the full cost of the premium for individual health insurance coverage for the retiree only. Notwithstanding the above, for fire fighter members hired on or after October 1, 2011, the enhanced benefits shall be a service pension limited to and only to a maximum of 75 percent of the average compensation of five years of membership service that represents five individual years of the highest annual salary to which a fire fighter member contribution has been paid to the retirement system, which the retiree only responsible for payment of the active rate for health insurance for single dependent and/or family coverage, if the retiree desires such coverage.

(2) *Enhanced disability benefits.* A retiree for a total and permanent disability under section 70-248 for line-of-duty injuries shall be eligible for enhanced disability benefits if the disability is caused by a severe injury in the line of duty, which is the direct result of one specific violent event, involving a substantial physical impact to the employee-retiree. If the employee-retiree contracts Acquired Immune Deficiency Syndrome (AIDS) or Hepatitis-C through the transmission of bodily fluids as a direct result of one specific event occurring in the line of duty, documented at the time of the event, and the employee, at the time of the event exercised universal precautions and complied with the all applicable standard operating procedures and policies of the city, then such employee-retiree is entitled to enhanced benefits provided herein. The enhanced benefits are not available to an employee-retiree who has contracted AIDS or Hepatitis-C through sexual transmission or drug use. The enhance benefits shall be a service pension limited

to and only to a maximum of 75 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which a member~~an annuity~~ contribution has been paid to the retirement system, with the retiree only responsible for payment of the active rate for health insurance for single dependent and/or family coverage, if the retiree desires such coverage.

The provisions of section 70-249(a)(1) and (a)(2) do not apply to firefighters and police officers who have applied for total and permanent disability under section 70-248 on or before January 1, 2007 and later retire with such disability under section 70-248, or general employees who have applied for total and permanent disability under section 70-248 on or before April 1, 2008 and later retire with such disability under section 70-248.

(b) Disability benefits not connected with the line of duty for members shall have a service pension under section 70-238 but limited to and only to a maximum of 66 2/3 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which a member~~an annuity~~ contribution has been paid to the retirement system, with group health insurance benefits as provided in section 70-249(c). Members hired after October 10, 2006 shall pay the active rate for individual health insurance coverage, calculated at the rate on the date of retirement. In any event, at age 65, upon being eligible for and enrolling in Medicare Part A and Part B, the city shall pay the full cost of the premium for individual health insurance coverage for the retiree only.

(c) The insurance benefits provided to a disabled member pursuant to this subsection shall only accrue to eligible employees injured in circumstances not connected with line of duty of injuries and circumstances that are nonjob-related with a minimum of ten years of continuous service. The city shall pay 100 percent of the cost of the insurance premium of an eligible disabled member for single coverage. The eligible disabled member shall pay the cost of the insurance premium for double or family coverage; provided, however, the eligible disabled members, as

described below, shall receive a credit towards payment of the premium based on the following criteria:

TABLE INSET:

Total monthly income from city	Credit amount
From zero (0) to and Including \$2000.00	75%
Greater than \$2,000.00 to and including \$3,250.00	50%
Greater than \$3,250.00 to and including \$4,500.00	25%

All rates are subject to periodic adjustments.

**Section 2: Repeal of Ordinances in Conflict.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**Section 3: Penalties.**

Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be assessed a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the City may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

**Section 4: Inclusion in Code.**

The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the City of Hialeah, as an addition or amendment thereto, and the sections

of this ordinance shall be renumbered to conform to the uniform numbering system of the Code.

**Section 6: Severability Clause.**

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

**Section 7: Effective Date.**

This ordinance shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

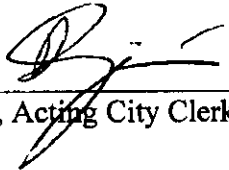
PASSED AND ADOPTED this 14th day of December, 2010.

THE FOREGOING ORDINANCE  
OF THE CITY OF HIALEAH WAS  
PUBLISHED IN ACCORDANCE  
WITH THE PROVISIONS OF  
FLORIDA STATUTE 166.041  
PRIOR TO FINAL READING.

Attest:

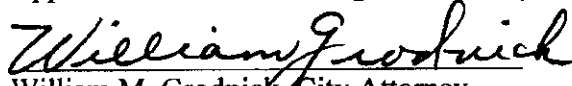
Approved on this 16 day of December, 2010.

  
Carlos Hernandez  
Council President

  
David Concepcion, Acting City Clerk

  
Mayor Julio Robaina

Approved as to form and legal sufficiency:

  
William M. Grodnick, City Attorney

~~Strike through~~ indicates deletion. Underline indicates addition.

December 8, 2010

Ms. Vivian Parks  
Acting Retirement Director  
City of Hialeah  
501 Palm Avenue, 3rd Floor  
Hialeah, FL 33010

**RE: Actuarial Impact Statement for the Employees' Retirement System**

Dear Vivian:

This letter provides the actuarial impact of proposed changes to the City of Hialeah Employees' Retirement System ("Retirement System").

**Summary of Proposed Changes**

The proposed ordinance amends Section 70 of the Hialeah Code for general employees hired on or after January 1, 2011 as follows:

1. Members will make mandatory contributions of 5.0% of their compensation to the Retirement System's pension reserve fund (in lieu of making contributions to the annuity saving fund). Upon separation of employment, members may request a refund of their contributions with interest at the rate of 3.0% compounded annually. A member who receives a refund of their contributions will forfeit any vested benefits under the retirement system.
2. The average compensation used in determining the service pension will be based on the average of compensation for the highest five (5) years of employment, which can be nonconsecutive years.

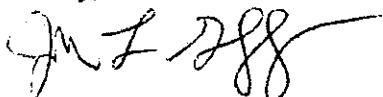
**Actuarial Impact**

Since the proposed changes will impact future employees hired on or after January 1, 2011, there is no actuarial impact on the funding requirements for the fiscal years ending September 30, 2011 and September 30, 2012.

It is my understanding that this letter must be submitted by the System's administrator along with the proposed ordinance to the Division of Retirement for review in accordance with Chapter 112.63, Florida Statutes and Rule 60-T-1.004. This must be done prior to adoption and last public hearing.

If you have any questions regarding this impact statement, please do not hesitate to contact me.

Sincerely,



Joseph L. Griffin, ASA, EA, MAAA  
Director

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May 11, 2012

Ms. Grisell Aedo  
Acting Retirement Director  
City of Hialeah  
501 Palm Avenue, 3rd Floor  
Hialeah, FL 33010

**Actuarial Impact Statement: City of Hialeah Employees' Retirement System - Repeal of Ordinance 10-69**

Dear Grisell:

We have reviewed the amendments to the repeal Ordinance 10-69 to determine the actuarial impact on the City of Hialeah Employees' Retirement System.

**Repeal of Ordinance 10-69**

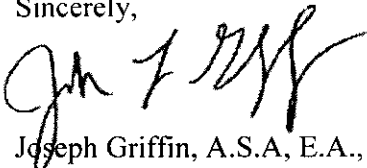
Ordinance 10-69 which was passed on December 16, 2010 enacted (1) a 5% mandatory contribution to the Retirement System by each general employee and (2) the change in the definition of final average earnings from the average compensation during the three highest years of service to the average compensation during the five highest years of service. Both changes would impact only general employees hired on or after January 1, 2011. The provisions of Ordinance 10-69 are now being repealed in its entirety

**Actuarial Impact**

The repeal of ordinance 10-69 has no actuarial impact on the Retirement System.

Please let me know if you have questions or concerns about this determination.

Sincerely,



Joseph Griffin, A.S.A., E.A., M.A.A.A., F.C.A.  
Director, Consulting Actuary

cc: Mr. Alan Voorhees – Board Chairman City of Hialeah Retirement System  
Mr. William Grodnick – City of Hialeah  
David Campbell – Buck Consultants

May 11, 2012

Ms. Grisell Aedo  
Acting Retirement Director  
City of Hialeah  
501 Palm Avenue  
Hialeah, Florida 33010

**Actuarial Impact Statement: City of Hialeah Employees' Retirement System –  
Amendment to Code Sections 70-201, 70-260, and 70-261**

Dear Grisell:

We have reviewed the amendments to the Retirement Code Sections 70-201, 70-260, 70-261 and the repeal of Ordinance 10-69 to determine the actuarial impact on the City of Hialeah Employees' Retirement System.

**Amendment to Code Section 70-201**

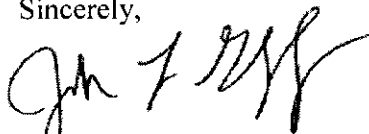
The amendment to Code Section 70-201 excludes City employees who are classified as general employees and hired on or after April 1, 2012 from participating in the Retirement System. This provision has no actuarial impact on the Retirement System.

**Amendment to Code Sections 70-260 and 70-261**

The amendment to Code Sections 70-260 and 70-261 excludes general employees who are members of the Retirement System from entering the DROP on or after April 2, 2012. General employees who became members of the DROP prior to April 2, 2012 are allowed to continue participation in the DROP for the maximum duration. This provision has no actuarial impact on the Retirement System.

Please let me know if you have questions or concerns about this determination.

Sincerely,



Joseph Griffin, A.S.A., E.A., M.A.A.A., F.C.A.  
Director, Consulting Actuary

cc: Mr. Alan Voorhees – Board Chairman City of Hialeah Retirement System  
Mr. William Grodnick – City of Hialeah  
David Campbell – Buck Consultants

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